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February 28, 1990

To: Citizens and Public Officials *ASB*
From: Alec S. Bash, Mission Bay Project Director
Re: Mission Bay Status Report

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STUDIES LIBRARY

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At the end of January we announced that the City and Santa Fe Pacific Realty Corporation (SFPR) had agreed on a proposal for (1) the Mission Bay land use plan and program, and (2) financial responsibilities as Mission Bay develops. Land use and financing documents are being drafted based on that proposal. The proposal will be considered at public hearings by the City Planning Commission, Port Commission and Board of Supervisors.

The City Planning Commission has scheduled two informational workshops:

- **Thursday, March 29, 1990, 5 pm:** Presentation of proposed land use plan and program by City agencies.
- **Thursday, April 12, 1990, 5 pm:** Presentation of financial aspects of the project and the fiscal impact on the City, and discussion of selected Mission Bay issues such as the housing/jobs balance, wetlands, the Caltrain, hazardous materials remediation and others to be decided.

The Commission may schedule other workshops as appropriate. We expect a draft development agreement, specific plan and other master plan amendments, zoning amendments and other documents, including a proposed final environmental impact report, to be completed in time for Planning Commission public hearings during May.

The Board of Supervisors will consider Mission Bay under its own program of public hearings. They are expected to consider the draft development agreement and the related documents during the summer, following actions by the Planning Commission.

In November, we anticipate a ballot measure pursuant to Proposition M to consider an exemption from the proposition's annual office limitation provisions that would require Mission Bay office development to compete against other office developments.

The Mission Bay land use plan and program, and financial responsibilities, is summarized in the attached material. A plan perspective is on the back of this page. Additional materials may be obtained by visiting our offices at 450 McAllister Street, Room 401.

The Mission Bay staff is available to present and discuss the proposal with organizations and community groups at their regular or special meetings. Please let us know if you would like to arrange such a presentation.

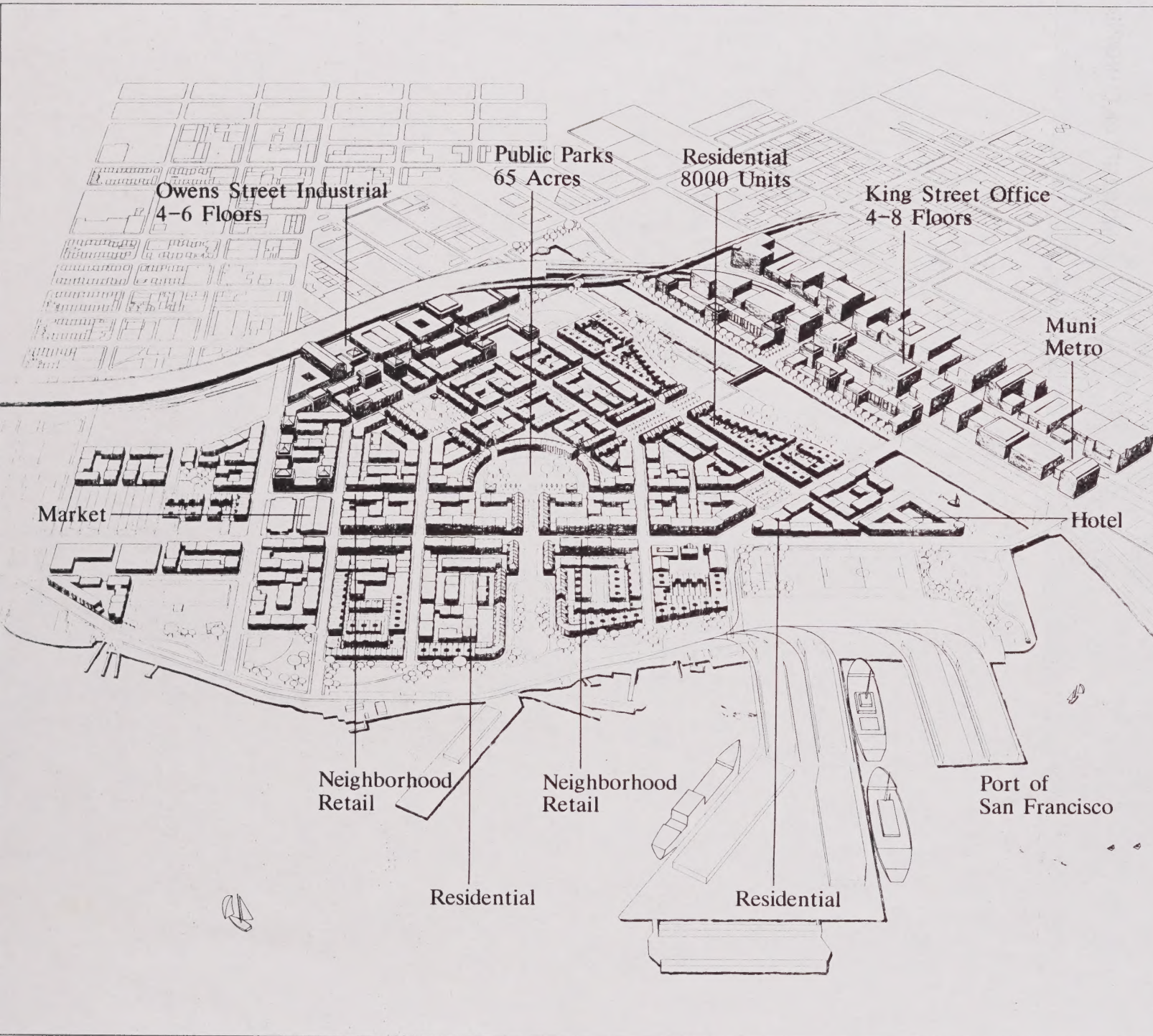
You may contact the Mission Bay staff at 558-6264 for further information or to arrange a presentation.

Mission Bay Plan

San Francisco Department of City Planning
 EDAW Inc.
 ELS/Elbasani & Logan Architects
 Danadjieva & Koenig Architects
 Daniel Solomon and Associates
 Kwan Henmi Architects

Santa Fe Pacific Realty
 Skidmore, Owings & Merrill
 IBI Group

Land Uses



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February 28, 1990

MISSION BAY SUMMARY
LAND USE PROGRAM AND
FINANCIAL RESPONSIBILITIES

Basic Development Program

- 8,000 dwelling units
- 4.8 MSF secondary or "back" offices
- 900,000 SF commercial/industrial
- 500-room hotel
- 735,000 SF retail
- 68.8 acres of parks
- MUNI Metro storage/maintenance facilities
- 11-acre 7th/Townsend public facilities site

Affordable Housing Component

- 3000 affordable units (\$98,000 average)
 - 800 units by SFPR
 - 2200 units by City (26 ac.)
- household incomes \$15-20,000 to \$55,000
- City units primarily 75-100% median income
- SFPR units at 120% median income
- 50% are three and four bedroom units
- \$3-4 M annual City obligation, total \$90 M

The development would accommodate about 23,000 private sector jobs, and about 16,000 residents. All homes would be within 2 1/2 blocks of transit routes and major parks.

Land Use Acreages and Monetary Obligations - See accompanying tables.

Community and Cultural Facilities - SFPR provides land and construction costs for fire and (1/2) police stations, and recreation and cultural centers; land for a school; and child care fee and facilities within offices. SFPR pays School District's school impact fee for its development (City pays fee for its affordable housing). SFPR constructs at least 15,500 square feet of licensable child care space, and pays fees to provide child care facilities on affordable housing sites. Senior centers and other community facilities are provided within affordable housing developments.

Public Art - SFPR sets aside 1% of office and hotel construction costs for public art.

Infrastructure - Santa Fe Pacific (SFPR) dedicates land for streets and is responsible for all basic infrastructure construction costs, except where City has grants, i.e. I-280 Program and Third/Fourth Street bridges. City provides maintenance.

Other Land Transfers

- Port transfers 14.8 acres to SFPR for housing, retail and community service uses, and receives 26-acre Western Pacific Yard and 8.5 acres of City streets adjacent to Pier 80 Terminal; Port licenses 22 acres of land to SFPR for parks.
- City transfers 24 acres of former streets and obtains 16 acres of developable housing sites, @ 4 acres every 4 years, and 11.3-acre Seventh & Townsend site for public facilities use. SFPR dedicates 17 acres of new streets to City.
- City buys land for Metro Yard at fair market value (using grant funds).
- SFPR provides lands for parks, dedicating 30+ acres of its land and 22 acres obtained under Port licensing agreement.

Transportation- SFPR pays City's Transit Impact Development Fee (TIDF) of \$5 per sq. ft. of office space and dedicates Metro ROWs; City obtains grant funding for capital improvements, including Metro extension and trolley lines, and vehicles. SFPR and its building owners participate in a Transportation Demand Management Program to provide for ever-increasing levels of public transit use and private ridesharing.

Economic Development/Affirmative Action/Job Training - SFPR funds a comprehensive program by paying \$2 per sq. ft. of office space. This includes assistance funds for pre-construction/construction, employment and job training, and minority/women/local businesses. SFPR uses good faith efforts in hiring and leasing for minorities, women and local businesses and residents.

Business Relocation Plan - The Mayor's Office of Business and Economic Development provides site location and referral assistance to displaced firms.

Hazardous Materials/Sewage

- SFPR assumes hazardous materials testing and remediation responsibility and costs for both City and SFPR property within Mission Bay, and at the Western Pacific property being provided to the Port. For about 15 acres of the 315-acre site the City and SFPR share costs 50/50, if remediation is required by regulatory agencies. This includes the China Basin Channel sediments and certain Port properties under lease to third parties, if the third parties don't pay full costs.
- City retains responsibility for Channel sewage outfalls; SFP provides design treatment to camouflage outfall exteriors.
- SFPR investigates and remediates the project area in phases as Mission Bay is developed, in conformity with remediation plans to be approved by a state regulatory agency.
- SFPR provides a \$30M Letter of Credit prior to commencing investigation of the project area, to ensure its responsibility to complete remediation.
- SFPR indemnifies City against damages and liabilities arising from SFPR's remediation activities for up to 25 years. Where the approved plan allows hazardous materials to be left on site, SFPR indemnifies City for ten years against personal injury or property damage claims. SFPR indemnifies City for seven years (15 years for parks) for costs of additional remediation due to stricter regulatory standards after cleanup is completed.

Seismic/Emergency Response Plan - Mission Bay would have redundant access and water distribution systems, infrastructure and building development responsive to the site's character, and public facilities which could provide emergency mass care.

Energy and Water Conservation - SFPR has agreed to energy and water conservation programs.

Urban Design Guidelines - Mission Bay would be developed consistent with urban design guidelines to help the development of a new neighborhood carrying forward existing desirable patterns of the City.

Phasing - Open space would be developed concurrently with housing (one acre for every 150 dwellings), and housing with office development (one dwelling for every 712 sq. ft.). Major community facilities would be in place by the time Mission Bay is about one-quarter built.

Future Fees - Child care and transit (TIDF) fees could be increased once every 5 years for first 15 years; new fees duplicative of negotiated Mission Bay benefits could not be imposed nor could other fees be increased during that 15 years; after 15 years these fee constraints disappear.

Fiscal Implications - The City would have a small fiscal surplus immediately from Mission Bay which would grow to a maximum of about \$14 million at buildout. By project buildout, City fiscal surpluses would be about \$215 million, not including any costs incurred for the housing program (it would be about \$125 million if the \$90 million housing program were deducted from this total).

Table 2 - Proposed Land Distribution

<u>LAND USES</u>	<u>ACREAGE</u>	<u>TOTAL</u>	<u>% TOTAL</u>	<u>OWNERSHIP</u>
Housing	99.6	99.6	31.6%	
SFPR (market rate & affordable)	73.8			SFPR
City (affordable)	25.8			City
Commercial	39.6	39.6	12.6%	
Office	25.4			SFPR
Commercial/Lt. Industrial	7.7			SFPR
Major Retail	4.2			SFPR
Hotel	2.3			SFPR
Community & Cultural	3.2	3.2	1.0%	
School	1.6			School District (USD)
Police, Fire & Recreation Center	1.6			City
Other Public Facilities	11.3	11.3	3.6%	
7th & Townsend Site	11.3			City
Parks & Open Space	68.8	64.1	20.4%	
Public Parks	51.6			City
China Basin Channel	12.5			City
<u>Subtotal</u>	<u>64.1</u>			
Parks/Plazas, Commercial *	4.1			SFPR *
Mini Parks, SFPR Housing *	0.5			SFPR *
Mini Parks, City Housing *	0.1			City *
<u>Subtotal *</u>	<u>4.7</u>			
* These small parks are associated with other development and their acreages are already counted above .				
Transportation	95.5	95.5	30.3%	
Streets & Transit ROWs	76.1			City
Caltrain Tracks & Station	9.2			SFPR
Metro Maintenance Facilities	10.2			City
Other Infrastructure	1.5	1.5	0.5%	
Channel Pump Station	1.5			City
TOTAL ACREAGE		314.8	100.0%	
Proposed ownership would be as follows:		190.6	60.5%	City
		1.6	0.5%	USD
		122.6	38.9%	SFPR **
** Other ownerships would include CalTrans and 0.7 acres under private ownership on Third Street.				
Present ownership is as follows:		144.5	45.9%	City
		169.3	53.8%	SFPR
(City ownership includes		1.2	0.4%	Caltrans
Port and DPW lands)		0.7	0.2%	Other Private

Table 3 - Proposed Distribution of Mission Bay Costs

ITEM (housing and toxics are addressed elsewhere)	TOTAL (\$ million)	SFPR (\$ million)	CITY (\$ million)	OTHER (\$ million)	COMMENTS	NOTES
Basic Infrastructure	\$85.2	\$54.1		\$31.1	Federal Grants	1,2
Transit	\$22.9			\$22.9	Federal Grants	3,4
Rail Freight	\$2.0	\$2.0				5
Open Space	\$31.1	\$31.1				
Community & Cultural Facilities	\$23.9	\$12.9	\$2.0	\$9.0		
Fire Station	\$3.1	\$3.1				
Police Station	\$4.0	\$2.0	\$2.0			6
School	\$9.0			\$9.0	School District	7
Cultural Center/Theater	\$4.5	\$4.5				
Recreation Center	\$3.3	\$3.3				
Fees and Exactions	\$58.0	\$54.7	\$3.3			
Transit Impact Development Fee	\$24.0	\$24.0				
Economic Development/Affirm. Action/Job Training	\$10.0	\$10.0				8
School Impact Fee	\$12.6	\$9.3	\$3.3			7
Child Care Fee	\$6.1	\$6.1				9
Public Art Program	\$5.3	\$5.3				10
License of Port Lands for Open Space	\$60.0	\$60.0				11
Acquisition of Western Pacific Yard	\$16.5	\$16.5				12
TOTAL	\$299.6	\$231.3	\$5.3	\$63.0		

NOTES

1. I-280 Transfer Concept Program monies would be used for King Boulevard and new I-280 ramps.
2. Federal Aid Urban grants would be used for renovation of the 3rd and 4th Street bridges.
3. BARTD monies would be used for MUNI Metro construction on King Boulevard.
4. Urban Mass Transit Administration grants would be used for other MUNI Metro, Metro East, overhead wires and vehicle purchases; these would be supplemented by SFPR's TIDF fees if necessary.
5. SFPR will relocate railroad tracks as necessary to maintain freight service through Mission Bay.
6. The Southern Station would be relocated from the Hall of Justice, with the City and SFPR sharing costs.
7. SFPR would pay a \$9.3M school impact fee to the Unified School District for its development, and the City a \$3.3M fee (as an added component to its affordable housing program. The USD would be responsible for school construction.
8. SFPR would contribute \$2/sq. ft. office, for \$9.6-\$11.4M total, depending on final office square footage.
9. City law requires either 1% of office/hotel space to be child care or an in lieu fee of \$1 per square foot. Facilities representing 25% to 60% would be built in office areas with remaining paid as in-lieu fee.
10. 1% of office, hotel, community facility and park construction costs would be set aside for public art.
11. The Port would receive about \$60 (\$2M/yr. for 30 years, escalated) for licensing 22 acres of land for SFPR to construct parks.
12. The Port would exchange 15 acres of land within Mission Bay for SFPR's 26-acre Western Pacific Yard at Pier 80.

MISSION BAY
A NEW SAN FRANCISCO NEIGHBORHOOD

**Historical
Perspective on
Selected
Programs and
Funding**

	Warneke Plan (1981)	Pei Plan (1983)	Proposed Plan (1987)	Proposed Plan (1990)
Estimated Cost	\$3 billion	\$4 Billion	\$2 Billion	\$2 Billion
Estimated Time (years)	15-20	15-20	20-30	20-30
Residential				
<i>Market Rate</i>	6,000	7,000	5,390	5,000
<i>Affordable</i>	0	0	2,311	3,000
Total Residential (homes)	6,000	7,000	7,703	8,000
Housing Density (units per acre)	160	140	97	80
Commercial				
<i>Office (sq. ft.)</i>	10 million	17 million	4.1 million	4.8 million
<i>Comm'l/Industrial (sq. ft.)</i>	0	4.3 million	2.6 million	900,000
<i>Retail (sq. ft.)</i>	0	500,000	300,000	735,000
Total Commercial (sq. ft.)	10 million	21.8 million	7.1 million	6.43 million
Hotel	two (2100 rms.)	one (500 rms.)	one (500 rms.)	one (500 rms.)
Recreation & Open Space (acres)	10	40	70	68.8*
Jobs	30,000	58,000	25,000	24,000
Site size (acres)	253	253	300	314.8
Maximum Height (office stories)	25	42	8	8

* Including 4.7 acres of open space in commercial and residential areas.





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	Warneke Plan 1982	Pei Plan 1983	Proposal for Citizen Review 1987	Proposed Plan 1990
Affordable Housing Program	none	none	1) 2,310 units (30%) affordable 2) 50/50 split between City & SFPR 3) \$125,000 average price 4) 25% 3 & 4 bedrooms 5) One housing unit for every 914 sq. ft. commercial	1) 3,000 units (37.5%) affordable 2) SFPR to do 800 units and to provide 26 acres of developable land to City; City to do 2,200 units 3) \$98,000 average price 4) 50% 3 & 4 bedrooms 5) One housing unit for every 712 sq.ft. commercial 6) Permanent affordability on City units and 30 years with city right to purchase on SFPR's units
Lease of Port Lands for Open Space	none	none	developer pays City \$1 per year for 66 years	22 acres at \$2 million per year for 30 years (or \$60 million); SFPR pays \$2 million/yr for 30 years
Backlands at Pier 48-50	—	—	eliminated	6 acres retained by Port to ensure long-term viability of breakbulk marine terminal at Piers 48-50
Child Care	none	none	per City ordinance	per City ordinance, but with SFPR to build from 15,500 to 36,600 sq.ft. of child care in office areas, and City to use the remaining SFPR child care fee revenues to build other facilities within City's 26 acres of Mission Bay housing land. (For a total of about 1,000 children)
Economic Development, Affirmative Action and Employment Training	no agreement	no agreement	proposed, but non funding agreed upon	SFPR would pay \$2 per sq. ft. of office space, about \$10 million, to fund program
Hazardous Materials Program	no agreement	no agreement	no agreement	SFPR would assume responsibility for investigating and remedying soil contamination for City & SFPR land, for all but about 15 acres of City-owned lands where SFPR & City would share costs 50/50
Cultural Center	none	none	proposed, but no funding agreed upon	SFPR to construct \$4.5 million cultural center/theater, and City & SFPR to jointly fund a study to program its use
Public Art	none	none	proposed, but no funding agreed upon	1% for public art included in office, hotel, community facilities and open space construction
Recreation Center Police Station Fire Station	none	none	proposed, but no funding agreed upon	SFPR to fund \$8.4 million; City to fund \$2 million for 1/2 of police station (Southern Station, to be relocated from Hall of Justice)
School	none	none	proposed, but no funding agreed upon	SFPR to dedicate land and pay \$9.3 million school impact fee; City to pay school fee of \$3.3 million for its affordable housing
Other Community Facilities	none	none	proposed within a community center, but no funding agreed upon	Community facilities included both within the cultural center and spread throughout the site within City's 26 acres of housing land
Seventh and Townsend parcel	no agreement	no agreement	\$1/yr. 66-year lease for a ballpark	SFPR to provide fee title to City for public facilities use, in partial exchange for a City's former street grid
Infrastructure and Open Space Improvements	no agreement	no agreement	no agreement	SFPR to fund \$85 million, with remaining \$31 million to be funded through State and federal grants primarily for I-280 Corridor